

How retail can rule 2015



By [Lynette Hundermark](#)

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There are just over 37 million adults in South Africa today and, if you want to reach them, there's no better way than to use mobile technology. Some 36 million people who are 15 and older have a cellular phone, which means that the opportunity for connecting with consumers this festive season is massive.



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Price comparison is in

As money becomes tighter, people will browse more and comparison shop, whether it is digital or in real life. Price-checking apps are massive in the US, South America and Europe and they are gaining good traction locally as well. Consumers will use mobisites and apps to help them save money before plonking down their dosh.

Customers will look up and compare price tags using a service such as PriceCheck to find better bargains. This particular price checker has a website and a mobisite, as well as free downloadable apps from all four app platforms - Apple iOS, Android, Windows Phone and Blackberry.

Vouchers are another way that customers will try make their festive budgets go further. Checkers has teamed up with EeziCoupon for a virtual voucher system. For this app customers are told that all they need to do is enter their unique code to redeem their savings at the till point.

Apps and word of mouth

Word of mouth is still the killer app. Retailers need to consider that people use social media to communicate their likes and dislikes, and this impacts directly on the bottom line. Social media is word of mouth on steroids, and will not be controlled. Disappointed customers are quick to vent and complain; happy customers have to be truly delighted to give a compliment, that's human nature.

However the app store tells a different story and it is here that people using the app will voice their gripes. This means that retailers who use apps will need to keep a very close eye on app stores to monitor the type of brand experience that users are having, and how this measures back to the retail brand promise.

Buying my loyalty

In the luxury market, people will want greater specialisation. Here the trend is to the niche, people will want to buy unique products, which will see the rise of curated commerce. The curators are trusted niche operators who provide designer products, collectable items, anything with 'personality'. In the top demographics, shoppers will find trusted retail Sherpas who will go out and find rare and remarkable items. Locally this spot is occupied by [WantItAll.co.za](#), while a great global example is [AHALife.com](#), which sources desirables from designers and artisans from across the globe.

Personalisation

Customers, especially those in the upper LSM bracket, expect an app to provide a highly user-centric, customised experience. The more the customer uses the app, the more it 'learns' about the customer. Of course, this requires a well-developed back-end. I often say that the success of retail apps depends on the back-end. Yes, a good UI, fast loading times and frequent updates are all important, but if you do not have a basic, built in understanding of the consumers' shopping habits in mind, when designing the back-end of an app, it will all be pointless.

Analyse this

Analytics are critical to retailers, and there is so much data available. This is why it's important to get people who can analyse and interpret that data in a way that makes sense, and creates a virtuous cycle where retailers get smarter about how they serve customers better.

It is now possible to profile users down to a fine-grained degree, and, depending on what your company does, provide content or information that the user will likely find interesting or useful and it has to be that, we hate spam in our inboxes. If we can be guaranteed that 90% (or even 70%) of what we get from a certain source will be of interest, then we will be more likely to look at it.

Future tech

New technologies continue to drive marketing practices. A technology called Beacons is being tested at store giants like Tesco and House of Fraser in the UK as well as Safeway, Waitrose, American eagle and Macy's in the US. This a BLE (Bluetooth Low Energy) system that registers when customers enter the store, how long they linger in particular points, what they spend on, and using predictive analytics based on previous purchase behaviour, sends information or offers to the customer.

It's early days yet, and no-one in South Africa has tried it, but I predict the only way it's going to work is if there is real, tangible benefit for the customer. Instant discount vouchers or other loyalty mechanisms need to be cleverly integrated, or else it will be perceived as yet another 'spam channel' and consumers will opt out.

ABOUT LYNETTE HUNDERMARK

With over 15 years of experience in the tech, digital marketing and mobile solutions space, Hundermark co-founded specialist mobile solutions consultancy Useful & Beautiful. With a passion for developing mobile products that are aligned to business goals, Hundermark's appetite for keeping abreast of the latest industry trends is fast establishing her as an expert tech commentator and opinion leader in South Africa. Follow @lynetteanthony on Twitter.

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